

## Message Text

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14

ACTION EA-14

INFO OCT-01 ISO-00 EB-11 SCEM-02 TRSE-00 SCI-06 SAJ-01

CIAE-00 INR-10 NSAE-00 RSC-01 L-03 COME-00 NSCE-00

NSC-10 SS-20 DRC-01 /080 W

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R 180830Z DEC 73

FM USLO PEKING

TO SECSTATE WASHDC 1154

INFO AMCONSUL HONG KONG

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E.O. 11652: N/A

TAGS: BTRA CH

SUBJ: EXXON OFFICIALS DISCUSSIONS IN PEKING

REF: A. HONG KONG 12356, B. PEKING 1621

1. EXXON HONG KONG SALES MANAGER MELVIN SEARLES, JR., INFORMED US HE HAS NEGOTIATED THE TERMS OF TWO CONTRACTS FOR EXXON TO PROVIDE A "SMALL" QUANTITY OF BUNKERING TO THE PRC ON A WORLDWIDE BASIS. SEARLES, WHO RETURNS TO HONG KONG DECEMBER 19, EXPECTS TO RECEIVE FINAL CHINESE APPROVAL OF THE CONTRACT TERMS IN A FEW DAYS. THE CONTRACTS, WITH THE CHINA NATIONAL CHARTERING CORPORATION AND WITH THE CHINA OCEAN SHIPPING COMPANY, ARE IDENTICAL. CONTRARY TO WHAT HE TOLD US EARLIER (REF B), EXXON IS WILLING, WITH AN EYE TOWARD FUTURE PROSPECTS, TO PROVIDE THE PRC WITH A SMALL AMOUNT OF BUNKERING FUEL AT THIS TIME NOTWITHSTANDING CURRENT SHORTAGES.

2. SEARLES SAID THE CHINA NATIONAL CHEMICALS IMPORT ANDEXPORT CORPORATION WAS UNRESPONSIVE TO HIS PROPOSAL FOR THE PRC TO PROVIDE LOW SULPHUR FUEL TO EXXON IN HONG KONG IN EXCHANGE FOR AN EQUIVALENT AMOUNT OF BUNKERING (I.E. FOR BUNKERING IN EXCESS OF THE SMALL  
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AMOUNT REFERRED TO ABOVE). THE CHEMICALS CORPORATION

ALSO RESPONDED NEGATIVELY TO HIS PROPOSAL FOR A VISIT TO THE PRC BY A HIGH LEVEL EXXON DELEGATION, THAT WOULD BE HEADED BY ITS PRESIDENT OR CHAIRMAN OF THE BOARD, AND WHICH WOULD EXPLORE THE VARIOUS AREAS IN WHICH EXXON MIGHT BE ABLE TO DO BUSINESS WITH THE CHINESE. NEVERTHELESS, EXXON WILL CONTINUE TO PURSUE THIS PROPOSAL THROUGH CORRESPONDENCE.

3. SEARLES ASKED THAT ABOVE INFORMATION BE CLOSELY HELD.  
BRUCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** worrelsw  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973PEKING01636  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
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**Handling Restrictions:** n/a  
**Image Path:**  
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**Office:** ACTION EA  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Secure:** OPEN  
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**TAGS:** BTRA, CH  
**To:** STATE  
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